



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA  
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0073  
916-327-4975 • FAX 916-324-2586  
www.boe.ca.gov

BETTY T. YEE  
First District, San Francisco

SEN. GEORGE RUNNER (RET.)  
Second District, Lancaster

MICHELLE STEEL  
Third District, Orange County

JEROME E. HORTON  
Fourth District, Los Angeles

JOHN CHIANG  
State Controller

CYNTHIA BRIDGES  
Executive Director

April 1, 2014

The Honorable Ben Hueso, Chair  
Senate Veterans Affairs Committee  
State Capitol Room 2054  
Sacramento, CA 95814

Dear Senator Hueso:

**Senate Bill 1113 (Knight)** is set for the Senate Veterans Affairs Committee on April 8, 2014. **Sponsored by the Board of Equalization (BOE)**, this bill allows disabled veterans additional property tax refunds if they receive backdated 100% disability ratings from the United States Department of Veteran Affairs (USDVA). Currently, the law provides a \$125,000 exemption towards the property tax assessment of a disabled veteran's home. While the law allows the exemption to apply as of the effective disability date, the law also limits refunds to the last four years of taxes paid.

**Disabled veterans lose property tax savings.** For some veterans the time to get the 100% rating runs up against the statute of limitations on refunds. USDVA backlogs can be an issue, and, if appeals or litigation are involved, resolution requires even more time. Others have received new ratings to correct an error made long ago. In several instances, veterans with backdated effective dates of more than 20 years have sought BOE assistance to recover their lost tax savings.

**Assists disheartened veterans.** After finally obtaining their disability rating, some veterans are disheartened to learn their property tax refunds were denied. As the bill's sponsor, the BOE hopes to assist veterans obtain refunds barred by current law.

**Refunds allowed for the last eight years of taxes paid.** Allowing disabled veterans to recover four additional years of refunds for overpaid taxes provides a modest amount of relief. Further, it parallels the eight-year period to recover underpaid taxes from property owners.

**If you have any questions or need additional information regarding this bill, please contact our Legislative Counsel, Michele Pielsticker, at (916) 322-2376.**

Sincerely,

Cynthia Bridges  
Executive Director

CB:ah